

28 OCT 1976

MEMORANDUM FOR THE RECORD

STATINTL FROM : [REDACTED]
Acting Director of Personnel

SUBJECT: Pay Increases for Executive Pay Levels IV and V

1. On 27 October 1976 I called Mr. James Woodruff, Civil Service Commission, as a follow-up to Mr. Janney's conversation with him of 26 October, previously reported.

2. I mentioned to Mr. Woodruff that it was my understanding that he informed Mr. Janney that Executive Levels IV and V that are not listed in Title V should receive the recent pay raise. My purpose in calling him was to find out whether other Federal agencies who had such employees, i.e., Executive Levels IV and V not listed in Title V, have in fact authorized the pay raise. In response, Mr. Woodruff indicated that the Commission is preparing a bulletin to be distributed to all Federal agencies which will inform the agencies that they must effect the pay raise for individuals in Executive Levels IV and V not listed in Title V, unless there is some peculiarity of an agency's enabling statute. When I asked, he indicated that the bulletin would not be released for at least a couple of weeks because they have a different kind of problem to resolve with respect to those employees in Executive Level positions who are listed in Title V. While it is clear that these individuals are not entitled to the pay raise, the Commission is struggling with the legal anomaly of whether these individuals are entitled to higher retirement and insurance benefits and, as a result, must have additional contributions deducted from their salaries. He gave as an example our Director and Deputy Director. It is clear that since their positions are covered by Title V, they will not get the pay raise. What they are trying to resolve is whether they get higher retirement and insurance benefits which call for additional contributions.

3. When I repeated my question as to whether other agencies who have individuals in Executive Level positions not listed in Title V have in fact put the pay raise into effect, he said he was not sure. As he put it, "They definitely will be doing it because we will be telling them they have to do it"; but he is not yet sure whether any of these agencies have done it or are awaiting advice from the Civil Service Commission.

4. I then asked him if he could give me the names of some agencies who have individuals in Executive Levels IV and V not listed in Title V. He responded that many such agencies are small agencies, but then gave me the names of some: The Federal Energy Administration has some; ACTION and OMB have some also. In addition, there are some in the Veteran's Administration, the Department of Commerce, HUD, and the Department of Transportation. One large group is in State Department, which has 56 Chiefs of Mission at these levels not listed in Title V.

5. Mr. Woodruff then volunteered some numbers:

a. At Level IV there are 385 positions in the United States Government; of these, 118 are not in Title V; there are 19 White House positions not in Title V; 248 positions are listed in Title V.

b. At Level V there are a total of 269 positions; 127 of these are listed in Title V; 12 White House positions and 130 other positions are not listed in Title V.

6. Mr. Woodruff asked if we had seen the John Cramer column in the Sunday Star. He noted that while there were a couple of mistakes in the article, the situation facing the Commission was quite well described, especially on the possibility of legal action. They actually have an instance of an individual dying affected by the pay dispute with the question now being examined as to what the level of the life insurance is that should be paid.

7. In closing our conversation, Mr. Woodruff again noted that the Commission hopes to release its bulletin within a couple of weeks, and then indicated that it would not be unreasonable to continue to pay the affected employees at the lower rate until instructions are received. I thanked him for the opportunity to discuss this in more detail with him.

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8. After reporting to the DDA, I called Mr. [REDACTED] Chief, Cover and Commerical Staff, and asked if he could find out whether the State Department has effected the pay raise for their Level IV and V positions not listed in Title V or whether they are awaiting specific advice to do so from the Civil Service Commission. Mr. [REDACTED] agreed to do so.

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